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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

DEC - 4 2000

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

Jurisdictional Separations Reform)
And Referral to the Federal-State)
Joint Board)
)

CC Docket No. 80-286

REPLY COMMENTS OF SBC COMMUNICATIONS INC.

SBC Communications Inc. (SBC) files these reply comments on its behalf and on behalf of its affiliated companies. SBC supports the implementation of a five-year freeze of the separations process as advanced in the *Recommended Decision* of the Federal-State Joint Board on Jurisdictional Separations (Joint Board), dated July 21, 2000. SBC respectfully submits these brief reply comments to urge that the freeze be implemented as soon as possible, regardless of whether there is a lack of consensus at this time as to how to treat Internet usage.

1. The Freeze Should Be Implemented Immediately.

SBC and several other parties have suggested that a freeze be implemented as soon as possible based on data from calendar year 2000. A vast array of commenters agree with the Joint Board that a freeze will provide needed stability until comprehensive reform of jurisdictional separations can be implemented. Any further delay in implementing the freeze, however, will threaten this very goal. If a freeze is not implemented soon, many companies will be required to embark yet again on separation studies, this time for calendar year 2001. In order to prevent separations reform from becoming needlessly delayed, and to avoid wasteful expenditures needed to comply with

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a regulatory scheme that most parties (including the Joint Board) agree is outmoded, the Commission must act soon.

In implementing the freeze, moreover, the Commission should allow adequate time to review the appropriate alternatives so that future reform is, ultimately, meaningful. Some commenters have suggested that the freeze last less than the five-year period recommended by the Joint Board. SBC respectfully reminds the Commission that the current proceeding has lasted for many years. A five-year period clearly is necessary to gauge properly the nature of the changing telecommunications industry in order to achieve the right reforms. To the extent the Commission believes that real reform can be implemented earlier, the freeze should last until the earlier of five years or the date on which the Commission and Joint Board are ready to take action. Implementing a freeze for only a short period of time could bring to bear unnecessary pressures on the process and jeopardize the implementation of meaningful, long-term reform.

2. Disagreement on Internet Usage Should Not Delay the Freeze.

The comments and replies in this proceeding reveal some disagreement as to the treatment of Internet usage. While this issue is clearly important, the lack of consensus about it should not delay the implementation of a freeze in the first place. To do so would be to throw the baby out with the bath water.

Implementation of a freeze is a clearly achievable event—one recommended by the Joint Board and supported by a majority of commenters. Once a freeze is implemented, the Commission will have ample opportunity to develop further a record on Internet usage so that the issue can be resolved through a diligent and reasoned process.

3. Conclusion.

The five-year freeze recommended by the Joint Board should be implemented immediately. Declining to do so based on a lack of unanimity on the issue of Internet usage would unnecessarily halt the process of achieving much-needed reform. By implementing a freeze now, the Commission can ensure not only that outstanding issues will be analyzed in a stable environment, but also that the entire process of meaningful reform may continue to fruition. SBC looks forward to working with the Commission and Joint Board in that endeavor.

Respectfully Submitted

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December 4, 2000

CERTIFICATE OF SERVICE

I, Regina Ragucci, do hereby certify that on this 4th day of December 2000, Reply Comments of Reply Comments of SBC Communications, Inc. served via hand delivery and first class mail - pre-paid postage to the parties attached.


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